

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

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JUN 07 2004

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

S

W-04015 A
Shuland Water Company
PO Box 10450
CASA GRANDE, AZ 85230

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

ANN04	03
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COMPANY INFORMATION

Company Name (Business Name) <u>SWANLAND WATER COMPANY</u>			
Mailing Address <u>PO BOX 10450</u> (Street)			
<u>CASA GRANDE</u> (City)	<u>AZ</u> (State)	<u>85230</u> (Zip)	
<u>520 466-5804</u> Telephone No. (Include Area Code)	<u>520 466-9425</u> Fax No. (Include Area Code)	<u>520 251-0628</u> Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>PO BOX 10450</u> (Street)			
<u>CASA GRANDE</u> (City)	<u>AZ</u> (State)	<u>85230</u> (Zip)	
<u>520 466-5804</u> Local Office Telephone No. (Include Area Code)	<u>520 466-9425</u> Fax No. (Include Area Code)	<u>520 251-0628</u> Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>BILL MILLER</u> (Name)				<u>MANAGER</u> (Title)
<u>PO BOX 10450</u> (Street)				<u>CASA GRANDE</u> (City)
<u>AZ</u> (State)		<u>85230</u> (Zip)		
<u>520 466-5804</u> Telephone No. (Include Area Code)	<u>520 466-9425</u> Fax No. (Include Area Code)	<u>520 251-0628</u> Pager/Cell No. (Include Area Code)		
Email Address _____				
On Site Manager: <u>BILL MILLER</u> (Name)				
<u>PO BOX 10450</u> (Street)				
<u>CASA GRANDE</u> (City)		<u>AZ</u> (State)		
<u>85230</u> (Zip)				
<u>520 466-5804</u> Telephone No. (Include Area Code)	<u>520 466-9425</u> Fax No. (Include Area Code)	<u>520 251-0628</u> Pager/Cell No. (Include Area Code)		
Email Address _____				

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Stephen Cooper c/o McARDILLA, Cooper & Vasquez LLP

(Name)

221 N FLORENCE ST

(Street)

SASA GRANDE

(City)

AZ

(State)

85222

(Zip)

520 836-8265

Telephone No. (Include Area Code)

520 421-0916

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☒ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

SMOLAND WATER COMPANY

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	3000	500	2500
303	Land and Land Rights	2000		2000
304	Structures and Improvements	10000	1667	8333
307	Wells and Springs	17000	2833	14167
311	Pumping Equipment	5000	833	4167
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			.
331	Transmission and Distribution Mains	20000	3333	16667
333	Services			
334	Meters and Meter Installations	3000	500	2500
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	60000	9666	50334

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Sholand Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	3000	.05	150
303	Land and Land Rights	2000		
304	Structures and Improvements	10000	.05	500
307	Wells and Springs	17000	.05	850
311	Pumping Equipment	5000	.05	250
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	20000	.05	1000
333	Services			
334	Meters and Meter Installations	3000	.05	150
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	60000		2900

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

COMPANY NAME Swaland Water Company

BALANCE SHEET

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 264	\$ 5234
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		1342
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 264	\$ 1108
	FIXED ASSETS		
101	Utility Plant in Service	\$ 60000	\$ 60000
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	6766	9666
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 53234	\$ 50334
	TOTAL ASSETS	\$ 53498	\$ 51442

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME Shinland Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$ 266
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	53498	51176
	TOTAL CAPITAL	\$ 53498	\$ 51176
	TOTAL LIABILITIES AND CAPITAL	\$ 53498	\$ 51442

COMPANY NAME

Sunland Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 5458	\$ 6912
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 5458	\$ 6912
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	1311	1843
618	Chemicals	284	
620	Repairs and Maintenance		409
621	Office Supplies and Expense	203	1080
630	Outside Services	2032	2289
635	Water Testing	70	439
641	Rents		
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	2365	8
403	Depreciation Expense	2900	2900
408	Taxes Other Than Income	215	
408.11	Property Taxes		
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 9380	\$ 8968
	OPERATING INCOME/(LOSS)	\$ <3922>	\$ <2056>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ <3922>	\$ <2056>

COMPANY NAME	<i>Swland Water Company</i>
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME

SUNLAND WATER COMPANY

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
56-001354-0000	20	100		20	2.5	

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000 Gals	2	5,000 Gals	1

COMPANY NAME Sunland Water Company

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	26640
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	53
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

COMPANY NAME:

Shuland Water Company

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	52	179684	181648
FEBRUARY	52	196944	204220
MARCH	53	213850	221640
APRIL	53	247261	253890
MAY	55	314967	325410
JUNE	56	468263	487591
JULY	56	515056	547230
AUGUST	56	521370	551610
SEPTEMBER	57	436330	457569
OCTOBER	57	408264	442569
NOVEMBER	58	418789	439801
DECEMBER	58	409631	430339
TOTAL		N/A	4551517

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes☒ No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 11 mg/l

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME

Sealand Water Co.

YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

Shortage of Cash Flow

COMPANY NAME

Swanland Water Company

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

0

Estimated or Actual Federal Tax Liability

0

State Taxable Income Reported

0

Estimated or Actual State Tax Liability

0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE6-3-04
DATETerry Anderson
PRINTED NAMEAccountant
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

JUN 07 2004

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

<small>COUNTY OF (COUNTY NAME)</small> <u>PINAL</u>	AZ CORPORATION COMMISSION
<small>NAME (OWNER OR OFFICIAL) TITLE</small> <u>JERRI HADZAN Accountant</u>	DIRECTOR OF UTILITIES
<small>COMPANY NAME</small> <u>Desland Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

<small>MONTH</small> 12	<small>DAY</small> 31	<small>YEAR</small> 2003
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 6912

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 428
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3rd

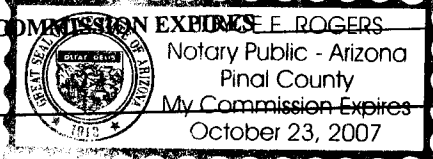
DAY OF

June 2004
(SEAL)

SIGNATURE OF OWNER OR OFFICIAL
JERRI HADZAN
TELEPHONE NUMBER
520 836-1005

<small>COUNTY NAME</small> <u>PINAL</u>	
<small>MONTH</small>	<u>.20</u>

SIGNATURE OF NOTARY PUBLIC
[Signature]

MY COMMISSION EXPIRES

Notary Public - Arizona
Pinal County
My Commission Expires
October 23, 2007

RECEIVED

JUN 07 2004

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 6912

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 4256
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

[Signature]
SIGNATURE OF OWNER OR OFFICIAL

520 836-1005
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 3rd DAY OF

(SEAL)

MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME <u>PINAL</u>	
MONTH	.20 <u>04</u>

X [Signature]
SIGNATURE OF NOTARY PUBLIC

